

**DUE DATE – March 13, 2006**

**Consumer Financial Services Annual Report  
for the Calendar Year Ended December 31, 2005**

**WARNING: Failure to file this annual report will result in commencement of administrative action against the license.**

File the original report. This report covers transactions subject to the Michigan Consumer Financial Services Act, Public Act 161 of 1988, as amended.

Full Name of Licensee	License No.
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**CERTIFICATION**

I hereby certify that I have read and knowingly made the following statements and representations and that each and every such statement and representation is true, accurate and complete to the best of my knowledge and belief. I understand that any false statement, misrepresentation, or fraud in connection with this report may be cause for revocation, suspension, or other disciplinary action against the company's consumer financial services license.

Date \_\_\_\_\_ Signature \_\_\_\_\_

Title \_\_\_\_\_

1. Fiscal year-end of the licensee: \_\_\_\_\_
2. List the name, title, phone number, facsimile phone number and mailing address of the person to whom correspondence regarding the license should be sent.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Business Ph Nbr: \_\_\_\_\_

Facsimile Ph Nbr: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. List addresses of all branch offices.

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4. Are any business activities conducted at any of the locations listed above which do not fall under the Michigan Consumer Financial Services Act? If yes, please explain. \_\_\_ Yes      \_\_\_ No

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5. Are records pertaining to each branch maintained at that branch? If no, state at what address they are being kept. \_\_\_ Yes      \_\_\_ No

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6. This space is intentionally blank.

7. List the Web address and e-mail address for the licensee.

Web address: 

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e-mail address: 

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8. List the names and titles of the licensee's senior management, including officers and directors if a corporation. Attach additional pages if necessary.

NAME	TITLE

**BALANCE SHEET**

As of December 31, \_\_\_\_\_

**ASSETS**

Cash on Hand and in Banks

\$

Net Receivable

Deferred Charges and Prepaid Expenses

Other Assets

**TOTAL ASSETS**

\$

**LIABILITIES AND NET WORTH**

Accounts and Notes Payable

\$

Bonds and Long Term Notes

Expense Reserves

Other Liabilities

**TOTAL LIABILITIES**

\$

Branch Office Capital

\$

Capital Stock

Preferred

Common

Appropriated Surplus or Capital  
Reserves

Retained Earnings

**TOTAL NET WORTH****TOTAL LIABILITIES AND NET WORTH**

\$

**STATEMENT OF INCOME AND EXPENSE**

For the Period from January 1, \_\_\_\_\_ to December 31, \_\_\_\_\_

**INCOME**

Charges Collected and/or Earned	\$
Collections on Accounts Previously Charged Off	
Other Income	
<b>TOTAL OPERATING INCOME</b>	<b>\$</b>

**EXPENSES**

Advertising	\$	
Bad Debts		
Charge Offs		
Additions to Reserve for Bad Debts		
Salaries		
Interest Paid		
Other Expenses		
Total Expenses (excluding income taxes)		\$
<b>INCOME BEFORE TAXES</b>		<b>\$</b>
Income taxes		
Local		
Federal		
Total Taxes		\$
<b>NET INCOME</b>		<b>\$</b>

**(ANSWER EACH QUESTION AS IT APPLIES TO EACH SECTION.)**

**Question number 9 refers only to loans brokered, originated, or serviced under the Mortgage Brokers, Lenders, and Servicers Licensing Act, Public Act 173 of 1987, as amended.**

9. During 2005, did the licensee participate in first mortgage loan activity? ☐ Yes ☐ No

**If yes,** go to the attached Mortgage Brokers, Lenders, and Servicers Annual Report form FIS 1077, and complete the responses that pertain to first mortgage loan activity.

**Question number 10 refers only to loans brokered, originated, or serviced under the Secondary Mortgage Loan Act, Public Act 125 of 1981, as amended.**

10. During 2005, did the licensee participate in secondary mortgage loan activity? ☐ Yes ☐ No

**If yes,** go to the attached Secondary Mortgage Loan Annual Report form FIS 1080, and complete the responses that pertain to first mortgage loan activity.

**Question numbers 11 through 17 refer only to the Credit Card Act, Public Act 379 of 1984, as amended.**

11. Were any credit card loans made in 2005? ☐ Yes ☐ No

12. Total Michigan receivables as of 12/31/05: \_\_\_\_\_

a. Consumer loan receivables as of 12/31/05: \_\_\_\_\_

b. Commercial loan receivables as of 12/31/05: \_\_\_\_\_

(Please attach a list of the Michigan businesses that have established credit card accounts with the licensee.)

13. Number of consumer accounts: \_\_\_\_\_ Avg Bal: \_\_\_\_\_

14. Number of commercial accounts: \_\_\_\_\_ Avg Bal: \_\_\_\_\_

15. Interest rate charged on credit card loans (A.P.R.) \_\_\_\_\_

16. Is an annual fee charged? ☐ Yes ☐ No

17. What is the amount of the annual fee? \_\_\_\_\_

**Question numbers 18 through 23 refer only to indirect loans purchased under the Motor Vehicle Sales Finance Act, Public Act 27 of 1950, as amended.**

"Motor vehicle" means a self-propelled device by which a person or property may be transported upon a public highway. Motor vehicle does not include tractors, motorcycles, trailers, semi-trailers, power shovels, road machinery, agricultural machinery, and other machinery not designed primarily for highway transportation but which incidentally transports persons or property on a public highway. Motor vehicle also does not include devices that move upon or are guided by a track or travel through the air. (Section 2(1))

18. NUMBER of Michigan accounts outstanding as of December 31, 2005. \_\_\_\_\_

19. Total DOLLAR AMOUNT of Michigan accounts outstanding as of December 31, 2005. \_\_\_\_\_

20. NUMBER of Michigan contracts purchased during 2005. \_\_\_\_\_

21. Total DOLLAR AMOUNT of Michigan contracts purchased during 2005. \_\_\_\_\_

22. What was the lowest interest rate charged on contracts purchased during 2005? \_\_\_\_\_

23. What was the highest interest rate charged on contracts purchased during 2005? \_\_\_\_\_

**Questions 24 through 27 pertain to the Regulatory Loan Act, Public Act 21 of 1939, as amended.**

24. State the NUMBER of regulatory loans made in 2005. \_\_\_\_\_

25. State the DOLLAR AMOUNT of regulatory loans made in 2005. \_\_\_\_\_

26. State the NUMBER of regulatory loans outstanding as of December 31, 2005. \_\_\_\_\_

27. State the DOLLAR AMOUNT of regulatory loans outstanding as of December 31, 2005. \_\_\_\_\_

**Questions 28 through 30 refer only to items subject to the Sale of Check Act, Public Act 136 of 1960, as amended.**

28. Total DOLLAR sales of money orders, travelers checks, money transfers, drafts, and checks during 2005. \_\_\_\_\_

29. Total NUMBER of money orders, travelers checks, money transfers, drafts, and checks sold during 2005. \_\_\_\_\_

30. Outstanding DOLLAR AMOUNT of money orders, travelers checks, money transfers, drafts, and checks as of December 31, 2005. \_\_\_\_\_

### **Reminders before mailing this report**

- Have all pages of the report, including the attached forms FIS 1077 and FIS 1080, been completed as appropriate?
- Has the report been properly signed and dated?
- Submit the original report to OFIS.
- A report received by OFIS after March 13, 2006 will be subject to a late penalty of \$25.00 for each day the report is delinquent.
- The original completed report should be mailed to:  
**Consumer Finance Section  
Office of Financial and Insurance Services  
P.O. Box 30220  
Lansing, Michigan 48909-7720**

For delivery requiring a street address send to:

**Consumer Finance Section  
Office of Financial and Insurance Services  
611 West Ottawa Street Floor 3  
Lansing, Michigan 48933**



#### **Michigan Department of Labor & Economic Growth**

The Department of Labor & Economic Growth will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.  
Visit OFIS online at: [www.michigan.gov/ofis](http://www.michigan.gov/ofis) Phone OFIS toll-free at: 1-877-999-6442

**DUE DATE – March 13, 2006**

## **Mortgage Brokers, Lenders, and Servicers Annual Report for the Calendar Year Ended December 31, 2005**

**WARNING:** Failure to file an annual report will result in commencement of administrative action against the license/registration. All questions refer only to loans brokered, originated, or serviced under the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), Public Act 173 of 1987, as amended.

**Any false statement, misrepresentation, or fraud in connection with this report may be cause for revocation, suspension, or other disciplinary action against the company's mortgage broker, lender, or servicer license/registration.**

FULL NAME OF LICENSEE/REGISTRANT	LICENSE/REGISTRATION	
	TYPE	NUMBER
1. Does the licensee/registant have any branch offices that conduct first mortgage loan activities under the MBLSLA?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes, how many?</b>		
2. List the address of each major location where first mortgage loan records are maintained (3 locations maximum):		
a.		
b.		
c.		
3. During 2005, was there a sale, transfer, assignment, or conveyance of more than 25% of the ownership interest of the licensee/registant?	<input type="radio"/> Yes	<input type="radio"/> No
4. Does the licensee/registant have written policies and procedures in place for quality control regarding first mortgage loans?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes,</b>		
a. Does the quality control program include procedures for fraud detection?	<input type="radio"/> Yes	<input type="radio"/> No
b. Are periodic reviews conducted to assure compliance with these policies and procedures?	<input type="radio"/> Yes	<input type="radio"/> No
c. Are reports written regarding these periodic reviews?	<input type="radio"/> Yes	<input type="radio"/> No
5. Does the licensee/registant maintain written policies and procedures regarding the fees charged for first mortgage loan origination services?	<input type="radio"/> Yes	<input type="radio"/> No
6. During 2005, did the licensee/registant require a consumer to sign a security agreement and/or promissory note for a first mortgage loan, secured by Michigan residential property, prior to all conditions being satisfied to fund the loan - a practice often referred to as a conditional or accommodation loan closing?	<input type="radio"/> Yes	<input type="radio"/> No
7. During 2005, did the licensee/registant repurchase a first mortgage loan, pay a settlement in lieu of repurchase, execute an indemnity agreement, or return a yield spread premium to a lender/investor?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes, how many?</b>		
8. Does the licensee/registant report all compensation for its first mortgage loan originators via W-2?	<input type="radio"/> Yes	<input type="radio"/> No



9.	During 2005, did the licensee/registrant broker or make a first mortgage loan, secured by Michigan residential property, which was subject to section 226.32 of federal Regulation Z - commonly referred to as a high cost loan?	<input type="radio"/> Yes	<input type="radio"/> No
10.	During 2005, did the licensee/registrant broker or make a first mortgage loan, secured by Michigan residential property, which contained a pre-payment penalty?	<input type="radio"/> Yes	<input type="radio"/> No
	<b>If yes</b> , did any pre-payment penalty exceed 1% of the amount prepaid during the first 3 years of the first mortgage loan contract?	<input type="radio"/> Yes	<input type="radio"/> No
11.	During 2005, did the licensee/registrant offer credit insurance to a first mortgage loan customer?	<input type="radio"/> Yes	<input type="radio"/> No
12.	As of December 31, 2005, how many first mortgage loan originators did the licensee/registrant employ who solicited Michigan first mortgage loans?		
13.	Does the licensee/registrant employ any first mortgage loan originators, who are actively involved in the sale of real estate?	<input type="radio"/> Yes	<input type="radio"/> No
14.	During 2005, did the licensee/registrant broker or make a first mortgage loan, secured by Michigan residential property, with a simple interest rate higher than 8%?	<input type="radio"/> Yes	<input type="radio"/> No
15.	During 2005, if the licensee/registrant brokered or made a first mortgage loan, secured by Michigan residential property, was more than 50% of that business sub-prime - meaning not eligible for sale to FNMA, GNMA, or FHLMC under prime underwriting guidelines?	<input type="radio"/> Yes	<input type="radio"/> No
16.	During 2005, did the licensee/registrant have its approval with any of the following agencies terminated or revoked?	<input type="radio"/> Yes	<input type="radio"/> No
	<b>If yes</b> , indicate which agencies:		
	FHLMC	<input type="radio"/>	
	FNMA	<input type="radio"/>	
	GNMA	<input type="radio"/>	
	HUD	<input type="radio"/>	
	VA	<input type="radio"/>	
17.	During 2005, was the licensee/registrant affiliated with any settlement service provider?	<input type="radio"/> Yes	<input type="radio"/> No
	<b>If yes</b> , indicate the type of settlement service(s):		
	Appraisal	<input type="radio"/>	
	Credit repair or other debt management	<input type="radio"/>	
	Document preparation	<input type="radio"/>	
	Escrow	<input type="radio"/>	
	Processing	<input type="radio"/>	
	Real Estate	<input type="radio"/>	
	Title Insurance	<input type="radio"/>	
	Other settlement service	<input type="radio"/>	

NOTE: The information provided in response to the following question will be used to determine the licensee/registrant's operating fee assessment, pursuant to Section 8(3)(b) of the MBLSLA, for the licensing year beginning July 1, 2006. **The information provided should pertain only to first mortgage loans secured by Michigan property that are subject to the MBLSLA.** (Refer to Section 1a(n) of the MBLSLA for the definition of mortgage loan.) Including loans secured by property in other states can result in an inappropriately high operating fee assessment. **All spaces must be completed; indicate "0" if a response does not apply. Failure to provide all of the following information or to submit the annual report by February 28, 2006 may result in a maximum operating fee assessment, and it will subject the licensee/registrant to a penalty for late filing.**

18. For the year ended December 31, 2005, state the **NUMBER** and **WHOLE DOLLAR AMOUNT** of:

a. First mortgage loans brokered during 2005. <b>(The date of loan closing determines the year of the activity. Do NOT include here a loan that closed in the name of the licensee/registrant.)</b>	#	\$
b. First mortgage loans closed in the name of the licensee/registrant during 2005.	#	\$
c. First mortgage loans serviced by the licensee/registrant as of December 31, 2005, including those serviced on behalf of another.	#	\$

**DUE DATE – March 13, 2006**

## Secondary Mortgage Loan Annual Report for the Calendar Year Ended December 31, 2005

**WARNING:** Failure to file an annual report will result in commencement of administrative action against the license/registration. All questions refer only to loans brokered, originated, or serviced under the Secondary Mortgage Loan Act (SMLA), Public Act 125 of 1981, as amended.

**Any false statement, misrepresentation, or fraud in connection with this report may be cause for revocation, suspension, or other disciplinary action against the company's mortgage broker, lender, or servicer license/registration.**

FULL NAME OF LICENSEE/REGISTRANT	LICENSE/REGISTRATION	
	TYPE	NUMBER
1. Does the licensee/registant have any branch offices that conduct secondary mortgage loan activities under the SMLA?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes, how many?</b>		
2. List the address of each major location where secondary mortgage loan records are maintained (3 locations maximum):		
a.		
b.		
c.		
3. During 2005, was there a sale, transfer, assignment, or conveyance of more than 25% of the ownership interest of the licensee/registant?	<input type="radio"/> Yes	<input type="radio"/> No
4. Does the licensee/registant have written policies and procedures in place for quality control regarding secondary mortgage loans?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes,</b>		
c. Does the quality control program include procedures for fraud detection?	<input type="radio"/> Yes	<input type="radio"/> No
d. Are periodic reviews conducted to assure compliance with these policies and procedures?	<input type="radio"/> Yes	<input type="radio"/> No
d. Are reports written regarding these periodic reviews?	<input type="radio"/> Yes	<input type="radio"/> No
5. Does the licensee/registant maintain written policies and procedures regarding the fees charged for secondary mortgage loan origination services?	<input type="radio"/> Yes	<input type="radio"/> No
6. During 2005, did the licensee/registant require a consumer to sign a security agreement and/or promissory note for a secondary mortgage loan, secured by Michigan residential property, prior to all conditions being satisfied to fund the loan - a practice often referred to as a conditional or accommodation loan closing?	<input type="radio"/> Yes	<input type="radio"/> No
7. During 2005, did the licensee/registant repurchase a secondary mortgage loan, pay a settlement in lieu of repurchase, execute an indemnity agreement, or return a yield spread premium to a lender/investor?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes, how many?</b>		
8. Does the licensee/registant report all compensation for its secondary mortgage loan originators via W-2?	<input type="radio"/> Yes	<input type="radio"/> No
9. During 2005, did the licensee/registant broker or make a secondary mortgage loan, secured by Michigan residential property, which was subject to section 226.32 of federal Regulation Z - commonly referred to as a high cost loan?	<input type="radio"/> Yes	<input type="radio"/> No

10. During 2005, did the licensee/registrant broker or make a secondary mortgage loan secured by Michigan residential property, which contained a pre-payment penalty?	<input type="radio"/> Yes	<input type="radio"/> No
<b>If yes</b> , did any pre-payment penalty exceed 1% of the amount prepaid during the first 3 years of the secondary mortgage loan contract?	<input type="radio"/> Yes	<input type="radio"/> No
11. During 2005, did the licensee/registrant offer credit insurance to a secondary mortgage loan customer?	<input type="radio"/> Yes	<input type="radio"/> No

NOTE: The information provided in response to the following question will be used to determine the licensee/registrant's operating fee assessment, pursuant to Section 6a(6)(b) of the SMLA, for the licensing year beginning January 1, 2007. **The information provided should pertain only to secondary mortgage loans secured by Michigan property that are subject to the SMLA.** (Refer to Section 1(2)(n) of the SMLA for the definition of secondary mortgage loan.) Including loans secured by property in other states can result in an inappropriately high operating fee assessment. **All spaces must be completed; indicate "0" if a response does not apply. Failure to provide all of the following information or to submit the annual report by February 28, 2006 may result in a maximum operating fee assessment, and it will subject the licensee/registrant to a penalty for late filing.**

12. For the year ended December 31, 2005, state the **NUMBER** and **WHOLE DOLLAR AMOUNT** of:

d. Secondary mortgage loans brokered during 2005. <b>(The date of loan closing determines the year of the activity. Do NOT include here a loan that closed in the name of the licensee/registrant.)</b>	#	\$
e. Secondary mortgage loans closed in the name of the licensee/registrant during 2005.	#	\$
f. Secondary mortgage loans serviced by the licensee/registrant as of December 31, 2005, including those serviced on behalf of another.	#	\$